

**REQUEST FOR PROPOSAL
FOR
ADVISOR SERVICES**

**KAY IVEY
CHAIRMAN, COLLEGE SAVINGS PROGRAM BOARD**

**Release Date: May 22, 2009
Proposal Due Date: June 4, 2009**

1. Overview.

The Board of Trustees of the Alabama College Savings Education Plan (hereinafter “the Board”) solicits proposals from firms interested in providing advisor and consultant services to the Board regarding selection of a program manager for the State’s 529 college savings program.

The College Savings Programs are a division of the Office of State Treasurer. The mission of the Alabama College Savings Programs is “to assist citizens in attending eligible institutions of higher education by providing an investment program.” The Alabama Higher Education 529 Fund was created by legislative Act 2001-427 and is codified as Section 16-33C-10 through Section 16-33C-13, Code of Alabama.

Van Kampen Investments was hired as the program manager in June of 2002. The 529 Fund offers a broker sold and direct sold product. Currently, we offer three “Years to Enrollment Portfolios”, three fixed portfolios and twelve individual fund portfolios. Total program assets as of March 31, 2009, were \$506.5 million. Assets attributable to Alabama residents were \$66.7 million. Total program accounts were 61,593, including 10,770 for Alabama residents. The average account size is \$8,223 for the total program and \$6,192 for Alabama residents. Assets under management by state reflect the highest concentration of assets in California, Alabama, Texas and New Jersey. Additional information may be viewed at www.alabama529.com.

This Request for Proposals (hereinafter “RFP”) is issued in accordance with the requirements of Section 41-16-72(4), Code of Alabama (1975). This RFP is not an offer to contract but seeks the submission of proposals from qualified, professional firms that may form the basis for negotiation of a contract or agreement.

2. RFP Objectives.

While specific requirements are provided within the respective service sections of this document, the overall objectives for this RFP are to:

1. Seek specialized services to provide strategic assistance and analysis of the RFP selection process for a 529 program manager.
2. Insure due diligence is performed during the procurement process.
3. Provide professional advice in the plan implementation and conversion phase.

3. Minimum Qualifications.

In order to be considered for selection, Exhibit D should be included in the proposal as documented proof that the following minimum qualifications listed below are met.

- (a) The Firm will be qualified with the Secretary of State to conduct business in the State of Alabama, if selected. For more information, visit the Secretary of State website at www.sos.state.al.us and click Corporations.
- (b) The Firm has provided similar services as described in this RFP to at least three other similar 529 State savings programs.
- (c) The Senior staff member assigned to the account has had direct experience performing the services described in this RFP for at least five years.
- (d) The Firm maintains sufficient procedures and redundancy capabilities to assure continued processing in an emergency.
- (e) The Firm has a company policy and practice of equal employment opportunity and non-discrimination based on age, race, creed and/or gender.
- (f) The Firm attests that all workers providing the services described in this RFP are either citizens of the United States or are in proper and legal immigration status that authorizes them to be employed for pay within the United States.

4. Proposal Required Information.

Proposals should be as thorough and detailed as possible so that your capabilities to provide the required services can be properly evaluated.

To be considered, responses to this RFP must include:

- 1. Cover page
- 2. Exhibit A, Qualifications
- 3. Exhibit B, Scope of Services
- 4. Exhibit C, Statement of Charges
- 5. Exhibit D, Minimum Qualifications
- 6. Disclosure Statement. All proposals submitted in response to this RFP must include one original and completed Disclosure Statement as required by Section 41-16-80, et seq., Code of Alabama (1975). Copies of the Disclosure Statement, and information, may be downloaded from the Alabama Attorney General's web site at www.ago.state.al.us/ag_items.cfm.

5. Submission of Proposals.

Issuing Office: Office of State Treasurer Kay Ivey
Alabama State Capitol
600 Dexter Avenue, Suite S106
Montgomery, Alabama 36104

Submission Deadline: It is the responsibility of the Firm to ensure that its proposal is timely delivered and received in the Treasurer's Office on or before 5:00 p.m. CST on June 4, 2009.

Provide an original proposal response plus three additional copies to facilitate our response evaluation process. Email an electronic copy of the response to alatreas@treasury.alabama.gov

for retention purposes. The response may be emailed by the submission deadline with the paper documents delivered within two business days.

It is the responsibility of the Firm to ensure that the proposal is timely delivered and received on or before the deadline for responding to this RFP. The Board will not consider proposals received after the date and time specified herein. The Board assumes no responsibility for late delivery by the U.S. Mail, the State's Central Mail Facility, a commercial courier service, or any other method of delivery selected by the Proposer.

Questions and Inquiries: The sole point of contact for purposes of this RFP is Brenda Emfinger, Director of the College Savings Programs. Any questions or inquiries should be emailed to her at Brenda.emfinger@treasury.alabma.gov. Any oral communications shall be considered unofficial and nonbinding on the Board and shall be strictly limited to questions from responders seeking clarification of the RFP.

Rejection of all Proposals: The Board reserves the right to reject any or all proposals and/or to solicit additional proposals if that is determined to be fiscally advantageous to the Program, State or otherwise in its best interests.

6. Evaluation and Selection.

All proposals timely received will be reviewed by a Board Evaluation Committee. The Committee is authorized to act on behalf of the Board and is expected to make a selection by June 15, 2009.

Discussions and/or Presentations. After the review and evaluation of the proposals, the Committee may conduct interviews by phone or in person. Finalists chosen for interviews will be notified. The Board reserves the right, in its sole discretion, to award one or more contracts based upon the written proposals received without prior discussion or negotiations.

Selection. The Committee will select the Firm it determines, in its sole discretion, to be fully qualified and best suited among those submitting proposals to fulfill the purposes of the RFP. The following will be used in making the selection.

Firm's Qualifications	30 Points
Work Required/Experience	40 Points
Fees	30 Points

The Board shall post the RFP on the treasury website www.treasury.alabama.gov. Interested parties may monitor the progress and status of this RFP process on the website.

7. Efforts to Influence Selection Process Prohibited

The integrity of the Request for Proposals process is of primary importance and will not be compromised. Any written or oral communications beyond the RFP response made by responders, or others on their behalf, whether paid or unpaid, to influence the selection process, from the time the RFP is issued through its conclusion, made directly or indirectly to the Board, Treasurer or Treasury staff will be grounds for immediate elimination from the selection process.

8. Agreement

All duties of the Firm shall be set forth in a contract agreement between the selected firm and the Board. It is expected that the term of the agreement will be for a period of two years, with inclusion of the option to extend for an additional one-year term. The term may be negotiated.

State law prohibits the Board from agreeing to (1) indemnify the Firm; (2) waive the right for jury trial; (3) grant a security interest; or (4) binding arbitration. Additionally, it is mandatory that Alabama laws apply to the performance of the contract and that jurisdiction and venue be in Montgomery, Alabama for state and federal courts.

9. Public Information

All responses received will be subject to the Alabama Open Records Act, §36-12-40, Code of Alabama and may be subject to public disclosure upon request. The Open Records Act is remedial and should therefore be liberally construed in favor of the public. The Alabama Trade Secrets Act is §8-27-1 through §8-27-6, Code of Alabama. Responders are cautioned to be familiar with these statutes. The burden is on the one asserting the trade secret to show that the information sought to be protected meets the definition of a Trade Secret as defined in the Act.

Any RFP response submitted that contains confidential, trade secrets or proprietary commercial information must be conspicuously marked on the outside as containing confidential information, and each page upon which confidential information appears must be conspicuously marked as such. Identification of the entire bid proposal as confidential is not acceptable unless the Firm enumerates the specific grounds or applicable laws which support treatment of the entire material as protected from disclosure according to the foregoing statutes or other applicable Alabama law.

The owner of the confidential information shall indemnify and hold the State of Alabama, the Board, State Treasurer, and Treasury staff harmless from all costs or expenses, including but not limited to attorney fees and expenses related to litigation concerning disclosure of said information and documents.

EXHIBIT A

Qualifications

1. Provide an overview of your firm, including corporate profile, ownership structure, financial condition, overall business objectives, services/products offered, and strategic plans for growth.
2. Provide details of any past or pending litigation relating to your firm, individual personnel, or to the management of client assets.
3. Provide details of any claims, disputes, litigation or other legal proceedings where your firm is involved with the State of Alabama or any of its agencies, or has been involved, in the three preceding years.
4. Describe any activities in which the Firm is engaged which may constitute a conflict of interest.
5. Provide an organizational chart and biographies of the person/persons/or team members who will be assigned to this account, including experience relevant to this type account.
6. Describe factors or reasons we should consider your firm more favorably than your competitors.
7. Provide the following information on at least 3 State or government authority clients for whom similar services as described in this RFP are provided:
 - a. Company
 - b. Address
 - c. Contact Person
 - d. Telephone Number
 - e. Length of Relationship in Years
 - f. Services Provided

EXHIBIT B

Services

1. Describe your approach to the drafting of a RFP for a program manager, the development of an evaluation mechanism, the evaluation of responses, and the interview/selection phase.
2. Describe how you can assist the Board in providing general strategic consulting advice, including analyzing the current program and making recommendations for changes.
3. Describe your capabilities to assess plan options currently offered and to make recommendations for changes, including partnerships with other states.
4. Do you provide assistance with press releases and media issues? If so, please describe.
5. Describe the assistance you can provide related to conversion from one plan manager to another.
6. Describe other services that you can provide that may be helpful to the Board.

EXHIBIT C
STATEMENT OF CHARGES

All costs must be included in this Statement of Charges, including travel and out-of-pocket expenses.

1. Provide your statement of charges in the following chart. The maximum cost range must not be exceeded to successfully complete the work described. Please include additional services that may be useful to the Board.

Work Description	Maximum Cost Range	Additional Services	Other – Define

2. If additional services are negotiated, please provide a general cost for a certain number of hours, or an hourly charge.

The Board reserves the right to negotiate final compensation structure. Fees will not increase during the term of the contract. Provide your fee proposal. Also include the maximum cost range for each category of services requested.

EXHIBIT D
MINIMUM QUALIFICATIONS

1. The Firm will be qualified with the Secretary of State to conduct business in the State of Alabama, if selected. For more information, visit the Secretary of State website at www.sos.state.al.us and click Corporations.
Yes _____ No _____
2. The Firm has provided similar services as described in this RFP to at least three other similar State savings programs.
Yes _____ No _____
3. The Senior staff member assigned to the account has had direct experience performing the services described in this RFP for at least five years.
Yes _____ No _____
4. The Firm maintains sufficient procedures and redundancy capabilities to assure continued processing in an emergency.
Yes _____ No _____
5. The Firm has a company policy and practice of equal employment opportunity and non-discrimination based on age, race, creed and/or gender.
Yes _____ No _____
6. The Firm attests that all workers providing the services described in this RFP are either citizens of the United States or are in proper and legal immigration status that authorizes them to be employed for pay within the United States.
Yes _____ No _____

Comments:

By signing this Exhibit, I certify that I am authorized to bind the company, and that the foregoing information is correct and true.

Signature _____

Date _____